

ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

December 26, 1996

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), and the regulations thereunder, are four (4) copies of a Master Equipment Lease Agreement (as such agreement relates to Lease Schedule No. 31953-04), dated as of December 18, 1996, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Master Equipment Lease Agreement, dated as of May 22, 1995, which was previously filed with the Commission on June 23, 1995 under Recordation Number 19478.

The names and addresses of the parties to the enclosed document are:

Lessor: Fleet Credit Corporation
50 Kennedy Plaza, Fifth Floor
Providence, Rhode Island 02903-2305

Lessee: Penford Products Co.
100 First Street, S.W.
Cedar Rapids, Iowa 52404

A description of the railroad equipment covered by the enclosed document is:

Twenty-three (23) covered hopper cars PENX 3160 through PENX 3182

- Mr. Vernon A. Williams
December 26, 1996
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Also enclosed is a check in the amount of \$22.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return three (3) stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Robert W. Alvord", written in black ink.

Robert W. Alvord

RWA/bg
Enclosures

19478-D

Filed and Recorded with the
Department of Transportation

on _____
at _____

and given Recordation No. _____

MEMORANDUM OF MASTER EQUIPMENT LEASE AGREEMENT dated as of May 22, 1995 by and between Fleet Capital Corporation, a Rhode Island corporation ("Lessor") and Penford Products Co., a Delaware corporation ("Lessee"), as such agreement relates to Lease Schedule No. 31953-00004 thereof (together, the "Lease").

W I T N E S S E T H:

1. Pursuant to the Lease, Lessor has agreed to lease to Lessee, and the Lessee has agreed to lease from the Lessor, twenty three (23) new Trinity Industries, Inc. 5125 Cubic Foot Power Flo 15 PSI Pressureaide Covered Hopper Railcars bearing the Reporting Marks/Running Numbers and Serial Numbers set forth on Schedule A attached hereto.

2. The Lease shall be effective as of the date set forth below and shall be subject to the Lease Term, as defined in the Lease.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Memorandum of Master Equipment Lease Agreement to be signed and sealed by their respective duly authorized signatories as of the date set forth below.

Dated as of: December 18, 1996

Lessor:

Fleet Capital Corporation

By: David R. Cournoyer

Name: DAVID R. COURNOYER

Title: Vice President/Sr. Lender

Lessee:

Penford Products Co.

By: x Ray W. Pettibone

Name: x Ray W. Pettibone

Title: x Controller

STATE OF: Rhode Island

COUNTY OF: Providence

SS.

On December 18, 1996 before me, Sandra Buonaiuto
(Notary Name and Title)

personally appeared David P. Conway personally known
to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to within the instrument and
acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the
person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: Sandra Buonaiuto

(Notarial Seal)

STATE OF: x Iowa

SS.

COUNTY OF: x Linn

On x November 27, 1996 before me, x Suzanne Abel Administrative
(Notary Name and Title) Assistant

personally appeared x Roy W Pettibone personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to within the instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: x 
(Notarial Seal)



SCHEDULE A EQUIPMENT

Attached to and made part of the following documents: True Lease Schedule No. 31953-04, Acceptance Certificate and UCC-1 Financing Statements

With: Penford Products Co.

Qty.	Depreciable Life and Description	Reporting Marks/ Running Numbers	Serial Numbers
	Depreciable Life of Equipment - 7 years		
	<u>Loc. No. 01</u>		
23	New Trinity Industries, Inc. 5125	PENX3160	760746
	Cubic Foot Power Flo 15 PSI	PENX3161	760747
	Pressureaide Covered Hopper Railcars,	PENX3162	760748
	equipped with 20" hatches, preassure	PENX3163	760757
	unloading features, 100 ton trucks, and	PENX3164	760759
	two coat 6 Mil Flintflex 200 interior	PENX3165	760760
	lining or equivalent	PENX3166	760763
		PENX3167	760764
		PENX3168	760762
		PENX3169	760767
		PENX3170	760768
		PENX3171	760771
		PENX3172	760772
		PENX3173	760773
		PENX3174	760774
		PENX3175	760777
		PENX3176	760782
		PENX3177	760784
		PENX3178	760786
		PENX3179	760787
		PENX3180	760788
		PENX3181	760789
		PENX3182	760790

WITH ALL STANDARD AND ACCESSORY EQUIPMENT

FLEET CAPITAL CORPORATION

PENFORD PRODUCTS CO.

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____